

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2314 - SB 2307

March 30, 2009

SUMMARY OF BILL: Expands the definition of “manufacturer” to include individuals engaged in preparation of a manufactured home for sale to a consumer. Defines “park trailer” as any vehicle intended for seasonal or temporary living quarters that is mounted on wheels and may be connected to utilities for operation of installed fixtures. Gross trailer area cannot exceed 400 sq. ft. Expands the definition of “recreational vehicle” to include park trailers. Requires applicants for licensure as a manufacturer or retailer of manufactured homes or applicants who are employees directly involved in the installation of a manufactured home to pay a fee established by the Commissioner of Commerce and Insurance. Effective July 1, 2010, requires that all new and used homes be installed according to manufacturer’s installation instructions or according to instructions contained in the National Fire Protection Association (NFPA) 225 Model Manufactured Home Installation Standard, 2005 Edition. Effective January 1, 2010, requires that applications for licensure as an “installer” or application for certification by an employee of an “installer” be accompanied by a fee to be established by the Commissioner of Commerce and Insurance. All licenses and certificates are valid for one year from issuance.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue - \$10,600/FY09-10/Manufactured
Housing Fund
\$21,300/FY10-11 and Subsequent
Years/Manufactured Housing Fund
Increase State Expenditures – Not Significant**

Assumptions:

- An estimated 850 certified supporting employees subject to a \$25 certification fee for a total estimated recurring increase to state revenue of \$21,250. Revenue for FY09-10 is estimated at \$10,600 ($\$21,250 \times .5$) due to the effective date of January 1, 2010.

- A small increase in inspections of facilities that may be rebuilding or refurbishing manufactured homes is estimated to result in a not significant increase in state expenditures.
- Changes in the standards for installation of manufactured homes will have no fiscal impact on state or local government.
- As of June 30, 2008, the Manufactured Housing Fund had a negative balance of \$250,551.34. The Fund is not required to be self-supporting.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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